

Strategy: Focused Asset Allocation
Investment Vehicle: Individual Stocks
Models: Dividend Payer Large Cap

Philosophy & Strategy

This strategy seeks long-term capital appreciation and current income by investing in companies that pay dividends in excess of the S&P 500. The strategy seeks to limit the portfolio to 20 individual names with no inherent sector bias. By not weighting any given sectors, we endeavor to avoid large drawdowns.

- Securities will usually have a market cap greater than \$5 billion with a focus on companies that are consistently growing their dividends over time. In our opinion, companies that are able to grow their dividends over a 3- to 5-year time horizon can sustain dividends and are better equipped to manage their cash flows.
- We believe securities with excessive valuations should be avoided while focusing on companies that could reduce the strategy's beta and volatility.
- Our goal is to construct a portfolio that will have a dividend yield in excess of 3% gross of fees.
- Overall, the strategy strives to have higher-quality characteristics and lower risk metrics than the broad U.S. equity market. Appreciation is secondary.

About Portfolio Design Advisors

Established in 2006, and re-invented under new ownership in 2009, Portfolio Design Advisors provides a broad range of investment advisory services, including portfolio management, consulting, and financial planning. It specializes in intelligent portfolio construction and design by creating sophisticated, customized investment strategies. The firm's CFA® charterholders have access to numerous world-class, institutional-quality investments.

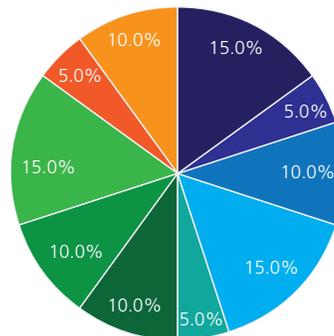
Models are designed to be straightforward, common sense approaches that address the specific financial situation and achieve the needs of the individual investor, while also providing protection in extremely volatile markets. The firm believes in long-term management strategies that create Alpha over time. Asset allocation decisions are based on market fundamentals and employ ongoing oversight and active management to achieve desired strategic asset allocation targets.

Models

Large Cap Dividend Payer

Model has a target yield of > 3% and attempts to equally weight among the 10 S&P Sectors. Due to certain sector classifications, this may vary. The portfolio management team looks for companies that have a track record of paying a dividend of ~ 3%, a history of raising the dividend when possible, and confirming the earnings yield can cover the dividend yield plus any increase.

- Number of Holdings: 20
- Model Reviewed: Quarterly
- Target Dividend Yield: > 3%



- Energy
- Materials
- Industrials
- Consumer Discretionary
- Consumer Staples
- Healthcare
- Financials
- Information Technology
- Telecom Services
- Utilities

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All types of investing involve risks and is subject to market fluctuations. It is possible to lose money by investing in securities, fixed income and alternative investments.

Specific types of asset classes and sectors have different and specific risks. Examples include:

Foreign investments and emerging markets may be more volatile and involve additional expenses and special risks, including currency exchanges and political and economic uncertainties. Small-company stocks as compared to large-company stocks entail additional risks, and they can have greater price fluctuations. Bonds are exposed to credit and interest rate risk (when rates rise, bond fund prices generally fall). Lower-rated bonds are subject to greater fluctuations in value and are more at risk of default of income and principal. REITs, specialty & sector funds may invest in a limited number of issues or sectors, which can increase volatility and exposure affecting that sector.

Alternative investments, also known as Non-Market Correlated investments, may involve specific risks that are greater than those associated with traditional investments. These risks include: illiquidity, tax considerations, increased expenses, potentially speculative strategies, global economic uncertainties.

Asset allocation and diversification do not ensure a profit or protect against loss in a declining market.

An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of the investment at \$1.00 per share, it is possible to lose money by investing in the Fund.

Investors should carefully consider the investment objectives, risks, charges and expenses of the mutual funds or ETFs in the referenced strategy. This and other important information is contained in the prospectus, which can be obtained from your Financial Advisor and should be read carefully before investing.